

Message Text

UNCLASSIFIED

PAGE 01 GEORGE 01721 252227Z

64

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 SP-03 AID-20 NSC-07 RSC-01

CIEP-03 TRSE-00 SS-20 STR-08 OMB-01 CEA-02 CIAE-00

COME-00 FRB-03 INR-11 NSAE-00 XMB-07 OPIC-12 LAB-06

SIL-01 L-03 H-03 TAR-02 INT-08 PA-04 PRS-01 SSO-00

NSCE-00 USIE-00 INRE-00 DRC-01 /155 W

----- 016825

O P 252225Z SEP 74

FM AMEMBASSY GEORGETOWN

TO SECSTATE WASHDC NIACT IMMEDIATE 349

INFO AMEMBASSY KINGSTON PRIORITY

AMEMBASSY PORT OF SPAIN PRIORITY

AMEMBASSY SANTO DOMINGO PRIORITY

AMEMBASSY PORT AU PRINCE PRIORITY

AMCONSUL PARAMARIBO PRIORITY

UNCLAS GEORGETOWN 1721

E.O. 11652: N/A

TAGS: EMIN GY

SUBJECT: BAUXITE LEVY PASSED BY LEGISLATURE

REF: GEORGETOWN 1693

1. GUYANA LEGISLATURE AFTERNOON SEPT 25 PASSED BILL IMPOSING BAUXITE LEVY ON REYNOLDS MINES THROUGH ALL READINGS AND PUBLISHED SAME. ONLY REMAINING REQUIREMENT FOR ENACTMENT IS SIGNATURE BY PRESIDENT WHICH PRESUMABLY CAN BE OBTAINED TODAY OR TOMORROW. BILL ESSENTIALLY AS DESCRIBED IN REFTEL WITH EXCEPTION THAT COMPANY HAS ONLY TEN DAYS (INSTEAD OF FIFTEEN) FROM DATE OF ENACTMENT IN WHICH TO PAY LEVY FOR FIRST TWO QUARTERS OF 1974 (ESTIMATED AT US DOLS 3.5 MILLION). EVEN EARLIER (WITHIN FIVE DAYS OF ENACTMENT), REYNOLDS MUST DELIVER STATEMENTS OF AMOUNT BAUXITE PRODUCED AND PRICES RECEIVED FOR PRIMARY ALUMINUM FOR FIRST SIX MONTHS 1974.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 GEORGE 01721 252227Z

2. BILL FURTHER PROVIDES THAT THEREAFTER EACH QUARTERLY PAYMENT

DUE FIFTEEN DAYS AFTER END OF QUARTER. REYNOLDS WILL THEREFORE BE FACED WITH REQUIREMENT TO PAY US DOLS 3.5 MILLION AS EARLY AS OCTOBER 5 AND ADDITIONAL APPROXIMATELY US DOLS 1,750,000 BY OCTOBER 15.

3. MINISTRY OF ENERGY AND NATURAL RESOURCES GIVEN POWER TO REMIT SOME OR ALL OF LEVY. GOG AUTHORIZED TO ENTER PRODUCER'S PREMISES TO GAIN ACCESS TO BOOKS AND OTHER RECORDS. FAILURE TO PRODUCE RECORDS PERMITS GOG TO ASSESS LEVY.

4. ASSESSMENT MAY BE APPEALED WITHIN THIRTY DAYS OF ITS NOTICE. LEVY HOWEVER MUST BE PAID BEFORE APPEAL IS HEARD. PROVISION ALSO INCLUDED FOR GOG TO SUE FOR PAYMENT OF LEVY, AS WELL AS TO TAKE SUMMARY ACTION TO RECOVER LEVY WHILE SUIT IS IN PROGRESS.

5. BILL PROVIDES FOR PERSONAL SANCTIONS AGAINST LOCAL MANAGER AND OTHER PRINCIPAL OFFICERS OR REYNOLDS FOR FAILURE OF QUOTE DOING ALL SUCH ACTS AS SHALL BE REQUIRED UNDER THIS ACT TO BE DONE BY SUCH COMPANY, SOCIETY, ASSOCIATION, PARTNERSHIP OR BODY END QUOTE. MAXIMUM PENALTY GIVEN IN BILL IS FINE OF GUYANESE DOLS 150,000 OR TREBLE THE AMOUNT OF THE LEVY AND, IN DEFAULT OF PAYMENT, IMPRISONMENT FOR UP TO FOUR YEARS.

6. SEPTEL SEPT 26 WILL PROVIDE MOST SIGNIFICANT DETAILS OF BILL AND EMBASSY COMMENT. ALSO SENDING OFFICIAL TEXT VIA EARLIEST POUCH.
KREBS

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BAUXITE, TAX LAW, LEVIES
Control Number: n/a
Copy: SINGLE
Draft Date: 25 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974GEORGE01721
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740270-0836
From: GEORGETOWN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740916/aaaaangf.tel
Line Count: 88
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: GEORGETOWN 1693
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 25 JUN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <25 JUN 2002 by maustmc>; APPROVED <03 FEB 2003 by martinjw>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BAUXITE LEVY PASSED BY LEGISLATURE
TAGS: EMIN, EIND, GY, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005